WCB SASKATCHEWAN WORKERS' COMPENSATION BOARD

Report to Stakeholders 07

Our strongest performance ever.

Mission Zero

Zero injuries. Zero fatalities. Zero suffering.

"In all cases, workplace injuries
are predictable and preventable.
Zero injuries is a lofty goal,
but I am convinced it is doable."

DAVID R. EBERLE
Chairman

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Year at a Glance

	2007	2006	2005	2004	2003
Number of workers covered[1]	354,918	338,898	327,064	325,565	309,362
Lost time claim rate (per 100 workers)[2]	3.80	4.05	4.25	4.40	4.81
Number of claims reported	41,301	40,922	39,904	37,715	38,919
Number of lost time claims accepted[2]	13,483	13,732	13,904	14,329	14,876
Permanent Functional Impairment awards	575	509	460	431	469
Fatal claims accepted	21	22	20	26	26
Number of appeals filed					
Appeals Department	1,021	1,008	1,149	1,077	1,081
Board Level	208	233	308	284	240
Return to work percentages					
Secondary treatment centres	88%	92%	87%	85%	88%
Tertiary treatment centres	82%	87%	81%	82%	79%
Claims costs ($ millions)	202.0	241.1	205.9	210.9	199.2
Active employer accounts[3]	34,364	33,438	32,851	32,125	31,630
Premium revenue ($ millions)	236.0	221.2	212.0	221.0	177.6
Average Actual Premium Rate[4] (per $100 of insurable earnings)	1.84	1.84	1.97	2.05	1.83
Investment revenue ($ millions)	149.2	87.5	†54.8	†41.8	†55.2
Benefits liabilities ($ millions)	955.3	933.2	871.3	836.5	801.8
Funded position ($ millions)[5]					
Injury Fund	99.0	(4.6)	(21.0)	(38.0)	(49.7)
Reserves	57.3	31.0	28.5	28.5	28.5
AOCI[6]	91.3	185.3	127.8	62.2	†17.4

1 Full-time equivalent workers based on Statistics Canada average wage and WCB payroll information as of December 31st.
2 Number of time loss claims and the lost time claim rate are as at December 31st.
3 Includes active employers as at December 31st.
4 All years are Board-approved rates.
5 Presentation changed to comply with standards from The Canadian Institute of Chartered Accountants.
6 Accumulated Other Comprehensive Income is defined in the Management Discussion & Analysis.
† Certain comparative figures have been changed to conform to the current year's presentation.

Introduction

The WCB is an independent, quasi-judicial tribunal that provides benefits and services to Saskatchewan workers injured on the job.

The WCB operates similar to an insurance program, providing benefits and programs to injured workers in covered industries. Its costs are paid entirely by Saskatchewan employers in covered industries, through premiums that are based on their industry's injury frequency and costs.

The WCB introduced an annual stakeholder report in 2003 to provide information on our operations that is typically not found in annual financial reports.

The 2007 Report to Stakeholders includes the same types of information that we introduced in 2003. This year, new year end reports show how each of our operating divisions contributes to the WCB's results. We also provide you with a reference to our corporate website, **www.wcbsask.com**, where you can find information on topics as broad as injury claim statistics, our legislation, policies and publications, and comparisons of our results with those of other Canadian workers' compensation boards and commissions.

We invite your feedback. Please send your comments to:

Planning & Communications Department
Saskatchewan Workers' Compensation Board
200 - 1881 Scarth Street
Regina, Saskatchewan S4P 4L1
Email: feedback@wcbsask.com

THE WCB'S 2007 RESULTS ARE DRIVEN BY AN INTEGRATED STRATEGIC AND OPERATIONAL PLAN.

VISIT OUR CORPORATE WEBSITE AT WWW.WCBSASK.COM FOR INFORMATION ON OUR *2007–2009 STRATEGIC AND OPERATIONAL PLAN,* AND THESE TOPICS:

- Our legislation, policies and funding.
- How we are governed, our organizational structure, and how we practice accountability.
- Risk Management.
- Statistics on 2007 claims.
- The WCB's Balanced Scorecard; our system of measuring and reporting on corporate performance.
- 2007 accomplishments of the Operations, Human Resources and Team Support, and Prevention, Finance and Information Technology divisions.
- The 2007 Appeals Report.
- The 2007 Fair Practices Office report.
- The 2007 ***WorkSafe Saskatchewan*** report.
- A summary of Board policies that were introduced or amended in 2007.
- Key Statistical Measures; how Saskatchewan's WCB compares to other Canadian boards and commissions on key financial and program measures.
- Our publications and forms.

2007 – 2009 Strategic Plan

VISION STATEMENT

In serving injured workers and employers, our vision is to excel in the development and delivery of workers' compensation and injury prevention programs and services.

MISSION STATEMENT

In support of our vision, our mission is to:

1. Provide the right service, at the right time, and be cost-effective in our processes.
2. Act with dignity and treat everyone with respect.
3. Conduct our business in a fair, open, honest and professional manner.
4. Bring about positive relationships with workers, employers, and others affected by the workers' compensation system.
5. Communicate clearly our distinct identity, benefits and values.
6. Expect and recognize individual and corporate achievements and contributions to our workplace.
7. Ensure the organizational and financial integrity of the Workers' Compensation Board.

STATEMENT OF BELIEFS

Our corporate beliefs are:

1. Injured workers and employers deserve excellent service.
2. Workers, employers and others deal with us honestly.
3. Employers care about their employees and care that their employees receive excellent service.
4. The WCB's future relies on positive relationships built on trust, understanding and cooperation in our programs and services.
5. WCB employees want to excel in customer service.
6. The WCB is guided by its corporate values in all of its decisions.

VALUES STATEMENT

Our corporate values are the standards by which our actions and decisions are to be considered and judged by others and are rooted in our Code of Conduct and Ethics.

1. Dignity – those we serve and those we work with are treated with respect and consideration.
2. Fair – those we serve and those we work with are treated equally and without prejudice or bias, and in a timely manner.
3. Honest – we are truthful with those we serve and those we work with.
4. Open – our programs and services are easy to access and to understand. Our decisions and actions are clear, reasonable and open to examination.

STRATEGY STATEMENTS

The strategy statements are meant to be interrelated and mutually supportive. Taken together, strategy statements are meant to represent a comprehensive, preferred future for the organization.

Service – We will provide support to injured workers, their families and employers when they need it most and be cost effective in our processes. We will develop and promote injury prevention programs. We will return injured workers to wellness, including the return to suitable employment.

Relationships – We will continue to build relationships that serve the interests of workers and employers.

Strategic and Risk Management – We will follow a planning process that anticipates and responds to the environment, that integrates operational planning, and that results in service and management excellence and efficiency. We will follow a risk management process that identifies and mitigates risks that jeopardize the implementation of the strategic plan.

Employee Relations – We will promote pride in WCB employees and require accountability for individual and corporate achievements, and responsibility for how work is accomplished.

Year End Reports

OPERATIONAL PLAN REPORT

The WCB's operational planning process supports the Board Members' strategic plan. It is the responsibility of the WCB Executive to establish the operational plan and, through the plan, to achieve the strategy set out by Board Members. This is accomplished by dedicating corporate resources and effort towards a set of key results and operational objectives.

The WCB's operational planning model is an integrated approach that requires the Executive to develop key results, objectives, and programs that are, in turn, operationalized by the WCB staff. This ensures these elements of the operational planning model are mutually supportive and adequately resourced.

Key Result

Excellent Service

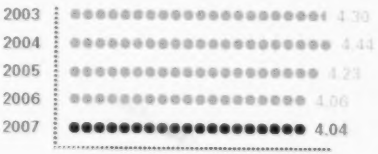
Objective

To achieve a customer satisfaction rating of 4.75 out of 5 as defined by the Common Measurements Tool survey method.

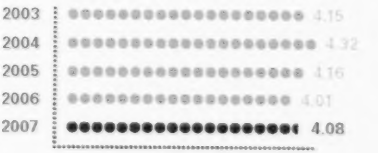
Objective Supports:

- **Service Strategy:** We will provide support to injured workers, their families and employers, when they need it most. We will develop and promote injury prevention programs. We will return injured workers to wellness, including the return to suitable employment.
- **Relationship Strategy:** We will continue to build relationships that serve the interests of workers and employers.
- **Employee Relations Strategy:** We will promote pride in WCB employees and require accountability for individual and corporate achievements, and responsibility for how work is accomplished.

Employer Feedback – 2007 Target 4.75



Worker Service Feedback – 2007 Target 4.75



Progress Made

The initiative to improve the integration and alignment of WCB programs and the health care system is on schedule. This initiative is based on recommendations from an external review of WCB's medical rehabilitation model, formerly known as the Early Intervention Program, on how medical treatment delivery processes can be improved within the context of the compensation system as a whole.

The quality of communications with our customers continues to be a priority. A training program to improve written communications was completed. The plain language strategy will begin in mid-2008. Once developed, it will have applications for WCB forms and publications, correspondence and internet materials. Two new service standards were implemented: 1) to ensure a face-to-face meeting is held with case management clients within four weeks of referral, and 2) to improve client access to staff by implementing new telephone call handling protocols.

Work continued on programs to expand support services available to seriously injured workers.

The strategy to enhance service to small businesses was aided by the publication of *A Guide to the Saskatchewan Workers' Compensation Board for Business*, developed to provide a one-stop information publication for business. As well, a small business section was added to the Industry Issues section of the ***WorkSafe Saskatchewan*** website.

An initiative to research potential improvements in the WCB's mix of service delivery channels was enhanced by merging it with the project to expand the use of web-based service delivery for injured workers.

An initiative was started to research the best practices in the use of medical causation in entitlement decisions to identify potential for the expanded use of this concept in adjudication processes.

A number of reviews were undertaken:

- The overall effectiveness of the vocational rehabilitation program – on schedule;
- Excluded Industry Review – The purpose of this review is to research and analyze the coverage and injury costs related to industries and/or occupations which are excluded from coverage under the Act or Regulations, in order to assess the appropriateness of the exclusions. The research and analysis phase will be completed by the end of 2008; and
- The Permanent Functional Impairment rating methodology – on schedule.

Key Result:

Competent People

Objective:

To hire, develop and retain a competent work force as measured by the WCB's Human Resources Alignment Index.

Objective Supports:

- **Service Strategy:** We will provide support to injured workers, their families and employers when they need it most and be cost effective in our processes. We will develop and promote injury prevention programs. We will return injured workers to wellness, including the return to suitable employment.
- **Strategic and Risk Management Strategy:** We will follow a planning process that anticipates and responds to the environment, that integrates operational planning, and that results in service and management excellence and efficiency. We will follow a risk management process that identifies and mitigates risks that jeopardize the implementation of the strategic plan.
- **Employee Relations Strategy:** We will promote pride in WCB employees and require accountability for individual and corporate achievements.

Progress Made

The WCB is committed to being an employer of choice. The organization received the Youth Friendly Workplace designation and has been identified as a Top 10 Employer in Saskatchewan.

The WCB is an equity partner with the Saskatchewan Human Rights Commission (SHRC) and received SHRC's Equity Seal. Employment equity initiatives continue to evolve, including the WCB's Building the Future bursary program. This initiative has contributed to the WCB building strong relationships with educational institutions and successfully hiring students with disabilities and Aboriginal students for summer job opportunities.

Work continued with respect to organizational culture which resulted in the WCB achieving the second highest cultural audit rating in 10 years.

Employee health and safety initiatives continued with training provided to supervisory staff. In addition, a number of programs were arranged in support of employee wellness.

Training and development continued to be a priority. As part of the extensive on-line training program for front-line staff, learning modules covering the payment process were developed and incorporated into the overall program. Management development continued and a process to capture new training and development needs will be launched in 2008.

Meetings to update information with respect to the succession management process are established for 2008.

Key Result:
Effective Processes

Objective:
To ensure that 100% of key business processes have appropriate standards and controls in place that are monitored through quality control and quality assurance processes.

Objective Supports:

- **Service Strategy:** We will provide support to injured workers, their families and employers when they need it most and be cost effective in our processes. We will develop and promote injury prevention programs. We will return injured workers to wellness, including the return to suitable employment.
- **Strategic and Risk Management Strategy:** We will follow a planning process that anticipates and responds to the environment, that integrates operational planning, and that results in service and management excellence and efficiency. We will follow a risk management process that identifies and mitigates risks that jeopardize the implementation of the strategic plan.

Progress Made
The work to complete the development of the remaining elements of the claims systems (IT) evolution plan is on schedule for completion by 2009.

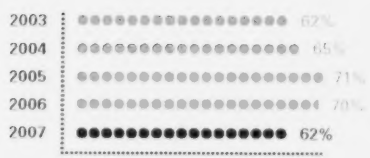
The plan to extend the use of the Balanced Scorecard (BSC) as a management tool progressed, with department/business units developing maps and scorecards that are linked to the corporate balanced scorecard. Through the use of these maps and scorecards, departments and business units can see how their actions and results contribute to the overall results of the WCB.

The evolution of the policy management framework was late for the policy review process, and is now expected to be completed in 2008. The administrative review process is on time for completion in 2008.

The work to develop and implement a corporate standard for an internal customer service delivery model is behind schedule. Support units will be consulted and a draft model is expected in 2008.

The plan to proactively enhance standards and controls for key business processes is on schedule. The Committee of Review recommendations within the WCB mandate will be implemented with quarterly reporting to the Board.

Time to First Payment
– 2007 Target 75%



Key Result:
Effective Business Relationships

Objective:
To build effective business relationships that advance mutual interests as measured by defined outcomes.

Objective Supports:

- **Service Strategy:** We will provide support to injured workers, their families and employers when they need it most and be cost effective in our processes. We will develop and promote injury prevention programs. We will return injured workers to wellness, including the return to suitable employment.
- **Relationships Strategy:** We will continue to build relationships that serve the interests of workers and employers.

Progress Made
The plan to develop standards and criteria for developing and executing relationship strategies with stakeholders is on schedule, with documentation completed and methodologies approved.

A plan to build relationships with Aboriginal communities is in the process of being developed and should be finalized in 2008.

Return to work partnerships with selected professional medical associations and health care product or service providers have been or are to be developed and are on schedule for 2008.

A plan to develop business relationships that advance or support research initiatives will advance with a pilot research payment program in 2008 is behind schedule and program guidelines and procedures established later that year.

Key Result:

Safety and Prevention

Objective:

To achieve a continuous reduction in workplace injuries, as measured by the provincial Time Loss injury rate.

Targets:

2007 – 3.85%
2008 – 3.70%
2009 – 3.60%
2010 – 3.50%

Injury Rate – 2007 Target 3.85%

Objective Supports:

- **Service Strategy:** We will provide support to injured workers, their families and employers when they need it most and be cost effective in our processes. We will develop and promote injury prevention programs. We will return injured workers to wellness, including the return to suitable employment.
- **Relationships Strategy:** We will continue to build relationships that serve the interests of workers and employers.

Progress Made

The province-wide certification program for workplace health and safety programs is on schedule. In 2007, the standards framework was completed, and safety associations are developing their own certification programs in line with the standards. A quality assurance process will be developed in 2008.

The strengthening of the ***WorkSafe Saskatchewan*** partnership between the WCB and the Ministry of Advanced Education, Employment and Labour (AEEL) is on schedule. Monthly steering committee meetings are held and several joint projects are ongoing. A formal *Memorandum of Understanding* which outlines the roles and responsibilities of the parties has been developed.

The Safe Worker and Safe Employer Awards were established and awarded and new opportunities for awards are being sought.

A program to sponsor research regarding societal attitudes towards injuries is on schedule.

WorkSafe Saskatchewan continues to identify and work with specific workplaces, industry sectors, occupations or injury groups to introduce programs that address factors which contribute to the high incidence of workplace injury.

In 2007, a comprehensive youth injury prevention strategy was initiated and work will continue in 2008.

Research has started on falls and preventing injuries in the aging workforce.

Key Result:
Strategic Risk Management

Objective:
To establish an enterprise risk management process that mitigates risks that threaten the WCB's ability to successfully achieve its strategic goals and objectives.

Objective Supports:

- **Strategic and Risk Management Strategy:** We will follow a planning process that anticipates and responds to the environment, that integrates operational planning, and that results in service and management excellence and efficiency. We will follow a risk management process that identifies and mitigates risks that jeopardize the implementation of the strategic plan.

Progress Made
The plan to mitigate corporate risks by integrating the risk register and its review in WCB strategic, operational and business planning and budget cycle was completed.

Key Result:
Financial Integrity

Objective:
To protect benefit entitlement and maintain competitive rates, the WCB will achieve 100% funded status, as required by policy, by December 31, 2012.

Objective Supports:

- **Strategic and Risk Management Strategy:** We will follow a planning process that anticipates and responds to the environment, that integrates operational planning, and that results in service and management excellence and efficiency. We will follow a risk management process that identifies and mitigates risks that jeopardize the implementation of the strategic plan.

Progress Made
The project plan to implement a framework of policies and practices that promotes best financial management practices and the management of control issues is complete. Work on this project is scheduled throughout 2008 and into 2009.

In 2007, a comprehensive review of the WCB's funding strategy was completed with the passage of an updated funding policy by the Board.

Preparations for the implementation of International Finance Reporting Standards (IFRS) were begun.

APPEALS

Appeals Department Activity

The number of incoming appeals was up marginally to a total of 1021 in 2007, but still down from the levels of the previous three years. In spite of some staffing issues that hampered productivity, there was an increase in the number of appeal decisions, reducing the backlog slightly from 2006.

The Appeals Department has a strong focus on accountability and evidence based decision making. Appeals Officers have extensive experience in WCB claims adjudication and management. The Appeals Department publishes its formal Mandate and Guiding Principles on the WCB website. To help ensure continued accuracy and consistency in decision making, all Appeals Officers received professional Administrative Justice training again in 2007, focusing on interpreting legislation.

While the accuracy of an appeal decision is critical, timeliness is also a very important consideration. When an appeal is registered, clients are advised of the approximate time frame for their appeal to be considered. New for 2007, appellants with electronic access to their claim file may track the status of their appeal on-line.

The backlog and cycle times remained relatively flat throughout 2007. The backlog at the end of 2007 was slightly lower than 2006 at 142 appeals, while the average cycle time was slightly greater at an average of 65 days. With the department at full staff going into 2008, the target is to reduce the backlog and improve the cycle times through the first half of 2008.

Appeals Department Activity

	2007	2006	2005	2004	2003
Appeals Received	**1021**	1008	1149	1077	1081
Accepted	**217**	209	254	266	197
Denied	**546**	534	801	639	422
Returned for Development	**246**	190	259	231	221
Total	**1009**	933	1314	1136	840
Withdrawn	**23**	42	22	42	44
Appeals Pending	**142**	153	120	307	408
Average days to decision	**65**	51	77	157	149
Appeals decided within 30 days	**21.0%**	24.3%	26.3%	21.9%	18.8%
Appeal Meetings	**53**	44	75	98	86

Source of Appeals

	2007	2006	2005	2004	2003
Source					
Worker	**722**	671	820	717	659
Worker's Advocate	**118**	109	95	114	120
Employer	**70**	73	65	75	116
Union Official	**36**	31	24	49	48
Lawyer	**17**	28	35	32	27
Family	**6**	3	10	5	14
Other Representatives	**52**	93	100	85	97
Total	**1021**	1008	1149	1077	1081

Nature of Appeals

	2007	2006	2005	2004	2003
Issue					
Initial Acceptance	**333**	317	359	290	269
Relationship (of condition to injury)	**164**	176	216	177	198
Recovery / Fitness	**83**	98	140	189	188
Expenses	**69**	47	77	29	31
Recovery / Pre-existing condition	**59**	57	27	67	56
Wage Loss Benefits	**57**	13	**	**	**
Estimated Earning Capacity	**51**	49	55	74	65
Cost Relief for Employer	**39**	70	59	67	85
Permanent Functional Impairment	**34**	29	44	42	43
Suspension	**32**	31	46	43	36
Wage Base	**29**	34	32	24	22
Retraining	**20**	18	23	23	11
Independence Allowance	**18**	13	22	8	14
Overpayment Recovery	**17**	15	4	2	*
Dependants	**3**	1	6	0	1
Other	**13**	40	39	42	62
Total	**1021**	1008	1149	1077	1081

* New category of appeals in 2004
** New category of appeals in 2006

Final Level Appeals

Clients not satisfied with the outcome of the first level appeal by the appeals department can request to have the issue reviewed by the WCB Board Members. The Board Members act as the final level of appeal for all matters unless there is a bona-fide medical question to be decided. A bona-fide medical question may be referred to a medical review panel of physicians.

Appeals Activity

	2007	2006	2005	2004	2003
Appeals Received	**208**	233	308	284	240
Decisions Made					
Accepted	**124**	110	108	115	124
Denied	**97**	113	139	152	170
Total	**221**	233	247	267	294
Appeals Withdrawn	**10**	15	14	19	11
Appeals Pending	**100**	119	122	74	75
Average number days for decision	**181**	161	116	94	172
Oral Hearings	**116**	81	155	118	166

Source of Appeals

	2007	2006	2005	2004	2003
Worker's Advocate	**86**	108	120	102	77
Worker	**66**	76	89	99	82
Employer	**28**	27	26	33	32
Other Representative	**13**	13	47	32	28
Lawyer	**8**	4	13	11	10
Union Official	**5**	3	9	5	5
Family	**2**	2	4	2	6
Total	**208**	233	308	284	240

Nature of Appeals

	2007	2006	2005	2004	2003
Initial Acceptance	**54**	65	69	61	59
Relationship	**53**	58	82	83	65
Recovery/Fitness	**43**	45	60	60	48
Cost Relief	**17**	6	26	21	16
Estimated Earning Capacity	**9**	10	14	14	19
Other	**7**	20	16	10	8
Wage Base	**5**	8	8	8	3
Assessment Rates and Surcharge	**5**	4	7	6	4
Suspension	**5**	3	2	3	0
Permanent Functional Impairment (PFI)	**4**	6	6	6	8
Transportation Expense	**3**	4	15	7	7
Retraining	**3**	4	2	4	3
Dependants	**0**	0	1	1	0
Total	**208**	233	308	284	240

Medical Review Panels

Appeals Activity

	2007	2006	2005	2004	2003
Panels Held	**17**	15	11	7	9
Decisions Made					
Accepted	**7**	7	3	4	3
Denied	**10**	8	6	3	4
Total	**17**	15	9	7	7
Pending	**0**	0	2	0	2

Nature of Appeals

	2007	2006	2005	2004	2003
Relationship	**14**	12	9	6	8
Recovery/Fitness	**2**	2	2	0	1
PFI	**1**	0	0	1	0
Other	**0**	1	0	0	0
Total	**17**	15	11	7	9

Employer Appeals

The WCB's Revenue and Employer Accounts (REA) Department is responsible for employer registration, industry classification, experience rating and other issues that affect an employer's WCB account. The process for all REA appeals (except for experience rating) is a two-step process.

The employer services representative (ESR) who made the decision is asked to review it. Many issues can be resolved at this stage.

If the matter is not resolved, the employer can appeal to REA's Assessment Committee. The Committee will review the file and advise the employer of their decision.

	2007	2006
Appeals Received	27	28
Accepted	8	9
Denied	19	18
Outstanding	0	1
Total	27	28
Experience Rating Accepted	3	5
Experience Rating Denied	12	9
Classification Accepted	3	4
Classification Denied	4	6
Coverage Accepted	1	0
Coverage Denied	1	1
Other Accepted	1	0
Other Denied	2	2
Total	27	27

* Comparative data is not available prior to 2006

WORKSAFE SASKATCHEWAN

The WCB continues to place a very high priority on injury prevention through initiatives like ***WorkSafe Saskatchewan***.

WorkSafe Saskatchewan continued its innovative directions in 2007, building on the successes of previous years. Its success is built on its mission – to create a workplace culture that prevents injuries, occupational illness and disease.

The strategy continues to achieve positive results. The provincial injury rate has dropped for the fifth straight year to a 25 year low of 3.80 per cent. There have been ebbs and flows to the injury rate during the past 25 years, with a high in 2002 of 4.95 per cent. Since the introduction of the ***WorkSafe Saskatchewan*** partnership in 2002, the rate has dropped steadily to this year's low mark. Still, these results leave Saskatchewan about 40 per cent above the national average; there is still much work to do.

The ***WorkSafe Saskatchewan*** initiative, spearheaded by the WCB and the Ministry of Advanced Education, Employment and Labour (AEEL), is a partnership aimed at reducing the human and financial costs of workplace injuries. It is a multi-faceted program combining injury prevention, awareness, human and financial resources, and information sharing, focusing on priority areas and reaching out to employers to continue to make workplace safety a part of every business.

Over the past five years, the ***WorkSafe Saskatchewan*** public information campaigns have been effective in raising awareness about injury prevention and safety in the workplace.

The ***WorkSafe Saskatchewan*** campaign has evolved over the last four years. The ads address those areas that are important with relevant messages that are industry and occupation specific.

Research after the 2007 campaign shows that the ***WorkSafe Saskatchewan*** promotion is having an impact:

- Awareness of ***WorkSafe Saskatchewan*** continues to be very high at close to 70 per cent.
- The proportion of people who say they have changed their work habits because of ***WorkSafe Saskatchewan*** is at an all-time high of 47 per cent. Practices mentioned were: using proper equipment, safer lifting and ergonomic improvement – all themes of ***WorkSafe Saskatchewan*** advertising.
- 95 per cent of respondents expressed support for the WCB's continuing investment in safety campaigns.

- Nearly two-thirds of Saskatchewan residents (65%) say the ***WorkSafe Saskatchewan*** ads have a positive influence on their thinking about workplace safety.
- Almost 85 per cent of respondents correctly identified the campaign theme, "Safety is everyone's responsibility."
- Four out of five people say the ***WorkSafe Saskatchewan*** campaigns are important to them personally in the workplace.

In addition to ***WorkSafe Saskatchewan***'s awareness campaign, much work is done to help employers meet the challenge of identifying hazards and preventing injuries. The ***WorkSafe Saskatchewan*** website continues to expand the information and resources available to workers and employers. More resources were added on a variety of topics including injury prevention for small businesses, awareness targeted at youth (15 - 24 years) and an on line WHIMIS course scheduled to be available in early 2008.

The ***WorkSafe Saskatchewan*** Top 10 initiative works with those companies that have a high number of Time Loss claims. This program is fluid, as companies improve their safety records and move out of the ***WorkSafe Saskatchewan*** Top 10 and new companies are added. Overall, this group has shown a marked decrease in their injury rates. During the past four years, the ***WorkSafe Saskatchewan*** Top 10 employers have improved their injury rate by 38 per cent. This initiative has proven successful, with five straight years of significant injury reduction.

The health care industry remains a focus for ***WorkSafe Saskatchewan***. The ***WorkSafe Saskatchewan*** partners are working with the health care industry and specific employers in developing solutions to identify and control hazards. This past year, the industry was challenged by a number of viral outbreaks, including the Norwalk virus. The number of virus related cases rose dramatically from the previous year. While the health sector numbers increased, a review of the situation shows health care facilities likely kept the numbers from skyrocketing due to proper planning and awareness of the potential for this kind of situation.

Even with the dramatic rise in viral claims, the healthcare sector showed a decrease in its injury/illness rate. This is a positive story that needs to be built on in the years ahead.

WorkSafe Saskatchewan continued its work with the Joint Industry Committee (JIC) in 2007. The JIC was established to support positive change in the establishment of health and safety programs in all types of industries.

2007 Top Five Occupations with Injuries*

Occupation	Number of Claims Reported
Nurse aides, orderlies and patient service associates	1,721
Welders and related machine operators	1,525
Truck drivers	1,274
Retail salespersons and sales clerks	1,107
Construction trades helpers and labourers	939

* All claims reported and accepted in 2007.

2007 Top Five Areas of Injury*

Body Part	Number of Claims Reported
Back	6,039
Fingers	5,206
Eyes	2,529
Hands	2,164
Shoulders	2,079

* All claims reported and accepted in 2007.

The JIC produced several documents on a framework of standards for safety program development, evaluation and certification which are available to the public on the ***WorkSafe Saskatchewan*** web site (www.worksafesask.com).

In addition, ***WorkSafe Saskatchewan*** began a youth initiative to reach out to schools, businesses and the general community based on the true life experience of an injured worker who now works in the Prevention Department of the WCB. Curtis Weber shares his real life tragedy, promoting the reality of workplace injuries. In addition, print ads and posters with injury prevention messages were placed in locations frequented by young adults.

WorkSafe Bob – the ***WorkSafe Saskatchewan*** mascot - continued to spread the injury prevention message around the province. He visited the Skills Canada competition in Saskatoon, SGI's Play It Safe Day at Mosaic Stadium, the Children's Festival and the Aboriginal Summer Games. In addition, WorkSafe Bob continued his presence at Saskatchewan Roughrider home games, leading the sold out crowds in the fourth quarter stretch.

Something new for ***WorkSafe Saskatchewan*** in 2007 was a program carried out in conjunction with the Regina Public School Board. The School Board's new Bricks and Mortar program is designed to offer students the opportunity to study for alternate school and work experience by introducing trades education. Thirty Grade 12 Martin Collegiate students enrolled in the school's Bricks and Mortar program are now sporting industrial-grade safety boots thanks to ***WorkSafe Saskatchewan***. This is another way of introducing safety programs to youth before they enter the workforce and helping reduce the injury rate, which is significantly higher for youth workers than for workers over 25 years.

The ***WorkSafe Saskatchewan*** partners, along with the Saskatchewan Federation of Labour and the Saskatchewan Safety Council, awarded the second Safe Worker Award to Greg Galbraith. Greg demonstrated dedication to creating a safer workplace for all the workers at ASL Paving in Saskatoon. 2007 marked the inaugural presentation of the Safe Employer Award to Syntech Enerflex for its on-going commitment to health and safety for its employees. One of the key factors for winning the award was the company's commitment to a safety first culture, with safety being the key driver for all the company's activities.

FAIR PRACTICES OFFICE

The fourth full year of operation for the Fair Practices Office (FPO) saw a record number of 401 complaints and inquiries received.

The Fair Practices Office was established in November 2003 and operates much like an internal ombudsman. The Fair Practices Officer reports directly to the Board Members through the Chairperson. The Office has one additional staff member, an Intake and Inquiry Officer. The role of the Office is to listen to client concerns, provide information on how the WCB system operates and try to resolve problems. Most files are resolved at the intake level but those requiring detailed review or investigation are referred to the Fair Practices Officer.

Regular meetings are held with the Board Members to review the operations of the Office and to discuss concerns or trends that have emerged. Regular meetings are also held with the Chief Executive Officer, the Vice President of Operations, the Directors, team leaders and case managers.

The Office continues to receive a high level of cooperation from staff of the WCB. The vast majority of our recommendations are promptly accepted at the case manager, team leader or director level. In a few cases, responses are delayed or inadequate and these are taken to the executive level for review.

The Office provides service to both injured workers and employers. In 2007, over 90 per cent of our contacts were from injured workers. The initial focus is on the specific inquiry or complaint received. There is also a role to look for systemic improvements that can benefit employers or injured workers as a whole. The ultimate goal is quality service for all WCB customers.

The work of the Office is driven by complaints received. Communicating awareness of the Office to potential customers is an ongoing priority. Enhancements in 2007 to the WCB website made it easier for injured workers and employers to access information about the Fair Practices Office. Revisions to the *Information for Workers* handbook were completed and now include the Fair Practices Office. A new publication, *A Guide to the Saskatchewan Workers' Compensation Board for Business*, includes a section on the Fair Practices Office. The office participated in Comp Institute in Saskatoon in March 2007, thereby increasing awareness of the Office for all who attended.

Communicating awareness of the Fair Practices Office within WCB is an ongoing initiative. The Team Support unit worked with the Office to prepare a case manager training package that is now available to both new and existing staff. The training package provides information about how

the Office works as well as some proactive suggestions for avoiding problems with clients. In addition, a presentation was made at the annual WCB Vocational Services Conference. To be effective, the role of the Office must be understood by the staff of the WCB.

The 2006 Committee of Review concluded that the Fair Practices Office should continue and be supported by the Board with a clear mandate, evolving authority and security of tenure in appointment. The Committee recommended that the office "formally adopt, adhere to and advertise its adherence to the International Ombudsman Association (IOA) code of ethics and standards of practice." An application has been made for membership in the IOA. The code of ethics for the IOA can readily be adopted by the Office. The standards of practice for the IOA would not allow for the office to conduct investigations as required by our mandate. A modified version of these standards will be presented to the Board Members for approval.

The Office is a member of the Forum of Canadian Ombudsman (FCO) which includes membership of all provincial ombudsman offices in Canada. Participation in conferences and training sessions sponsored by the FCO and the IOA assists the office in maintaining a professional perspective on our work. Networking with our counterparts from other jurisdictions assists in developing new strategies for being effective and proactive in our work.

Comparative statistics for the calendar years 2004 through 2007 illustrate that 2007 was the busiest year to date.

Number of Complaints/ Inquiries Received

	2004	2005	2006	**2007**
Complaints received	397	384	360	**401**
Re-opened	20	41	22	**43**
Total	417	425	382	**444**

Source

	2004	2005	2006	2007
Injured Workers	87.2%	94.5%	91%	**90.1%**
Employers	9.8	3.90	8.0	**6.2**
Other	3.0	1.6	1.0	**3.7**
Total	100.0	100.0	100.0	**100.0**

Category

	2004	2005	2006	2007
Disagree with Decision	232	214	178	**212**
Timeliness & Process Delays	67	76	66	**55**
Communications/Service issues	47	31	40	**56**
Information requests	47	58	74	**73**
FPO issues (systemic)	4	3	3	**2**
Other	0	2	4	**3**
Total	397	384	365	**401**

Resolution (closed files)

	2004	2005	2006	2007
Completed by FPO without referral	205	233	204	**249**
Called (WCB) for clarification	51	38	24	**29**
Referred to WCB for detailed review	141	113	134	**119**
Total Closed	397	384	365*	**397****

*3 files remained open
**4 files remain open

Outcome of Referrals to WCB

	2004	2005	2006	**2007**
Decision changed	23	15	17	**12**
New action taken	89	90	103	**99**
Reviewed –no change	29	8	14	**8**
Total	141	113	134	**119**

Response Time (closed files)

	2004	2005	2006	**2007**
0-6 days	62.0%	70.6%	63.5%	**70.0%**
7-30 days	19.6	18.9	20.7	**20.9**
Over 30 days	18.4	10.5	15.8	**9.1**
Total	100.0	100.0	100.0	**100.0**

Case examples

The following case summaries provide examples of the work of the Fair Practices office during 2007.

Decisions in writing

Section 49 of *The Workers' Compensation Act, 1979* requires that "where the board is unable to determine an issue in favour of the person claiming compensation, it shall provide that person with written reasons for its decision." It is generally accepted within WCB that this expectation applies to all decisions where a benefit is either denied or reduced.

A number of complaints received by the office involve either a delay in providing a written decision, or the absence of any written decision on a particular topic. Injured workers (or employers) find this very frustrating as they often do not understand why the benefit was denied. They may have been given the decision verbally, by phone or message manager, but until the written reasons are provided, the person may not understand the rationale for the decision.

Fair process requires that a person be given an opportunity to provide his/her own information and to challenge the information in the decision maker's hands. If the written reasons do not take into account information that the worker has

in his possession, there may be grounds for reconsideration or a formal appeal. The worker may also be able to supply additional information.

Timely written decisions, with reasons, are an integral aspect of treating customers with dignity and respect. They are also essential to conducting business in a fair, open honest and professional manner.

Notice prior to overpayment recovery

Sections 115.1 and 115.2 of *The Workers' Compensation Act, 1979* provide the WCB with the authority to collect overpayments to a worker or dependent. Overpayments can and do occur for a variety of reasons, often due to innocent error or oversight. Once WCB becomes aware of the existence of an overpayment, policy requires that the WCB notify the worker and recover the overpayment.

In a couple of examples, recovery of the overpayment commenced immediately upon verbal notification that there was an overpayment. In one case, notice had been left on an answering machine and the cheque issued the following day was reduced by 30 per cent due to overpayment recovery. This worker had automatic withdrawals taken from his bank account and ended up with NSF charges due to his inability to notify his bank or make alternate arrangements due to his reduced payment. The worker was extremely unhappy with his case manager and now several weeks later, a difficult working relationship remains between the injured worker and the case manager.

The overpayment recovery procedure does allow for recovery as early as the first payment period after the initial verbal notice to the debtor. This same procedure, 01/2002, also provides for a demand letter that sets out the particulars of the debt, repayment options and a response within one month from the date of the letter. This procedure is confusing and contradictory. Concerns were submitted by the Fair Practices Officer to the Corporate Policy branch as the overpayment policy and procedures are currently under review.

Discussions have also taken place with team leaders and directors to stress the importance of providing advance notice, preferably in writing, prior to commencing recovery of an overpayment. Treating people fairly is essential if WCB is to maintain an effective working relationship with its customers. Injured workers should be given adequate notice prior to any reductions in their payments.

Risk Management

Risk management has been a dedicated key result in the corporate strategic plan, with the following objective: "To establish an enterprise risk management process that mitigates risks that threaten the WCB's ability to successfully achieve its strategic goals and objectives."

Inherent risks are those which exist naturally by virtue of the organization's business or environment. Residual risk is the risk that remains after controls have been applied to manage or reduce these inherent risks.

WCB managers created a risk register to list the strategic and residual risks according to rank. Monitoring risks is ongoing and the risk register is updated annually. Operational and strategic plans identify risks with each new initiative adopted by the organization. All identified risks are accompanied by strategies as to how they will be managed.

Risks are classified as strategic or process risks. The top three risks in each category for 2007 were:

STRATEGIC – TOP THREE RESIDUAL RISKS

Description of Risk	Existing Controls
Risk in recruiting and retaining employees to meet WCB's goals and objectives.	• Performance management system • Succession planning • Workplace culture initiatives • WCB marketing as an employer of choice
Risk in having access to appropriate health care services to optimize recovery or minimize WCB costs by expediting service and return to work objectives.	• Management information system • Consultant review of Early Intervention program • Healthcare agreements and contracts
Risk with the level of injury rates in Saskatchewan.	• WCB Prevention department communications strategy • WCB offered employer workshops • Relationship with Ministry of Advanced Education, Employment and Labour • Experience Rating premiums system • Workplace advice from WCB Prevention Department

PROCESS – TOP THREE RESIDUAL RISKS

Description of Risk	Existing Controls
Risk that claims adjudication process (manual and IT) is not operating effectively to achieve WCB's goals and objectives.	• On line policy and procedure manuals • Legislation • Balanced scorecard • Business process simplification • Appeals Department/Fair Practices Office/Workers Advocate • Quality assurance and quality control
Risk that the payment system may not be calculating properly in all situations.	• Automation • Data verification • Payment procedures and approvals • Monitoring • IT change controls and testing • Quality assurance and quality control
Risk that WCB may not comply with various legislation that it must follow (e.g. WCB Act; privacy legislation; PIPEDA; FOIPP; Purchasing Act; other overriding provincial legislation).	• Privacy legislation/privacy policy • WCB privacy officer • Confidentiality acknowledgement forms • Conflict of interest forms • Ethical code of conduct • Contracts • Quality assurance and quality control

New and Amended Board Policies 2007

(POL 01/2007) EXPERIENCE RATING PROGRAM

In December 2005, WCB received feedback from stakeholders in regards to the 2006 changes to the Experience Rating Program. As a result, the Experience Rating Review Committee provided recommendations for changes to the program for 2007, approved under this new policy and its complementary procedure (PRO 01/2007).

(POL 02/2007) INITIAL ENTITLEMENT AND (RE) EMPLOYMENT ASSISTANCE-DEPENDENT SPOUSES

In accordance with Sections 83 and 97 of the Act, this new policy specifies initial entitlement to benefits and re-employment assistance for dependent spouses where the death of the worker may or may not be due to the compensable injury.

(POL 03/2007) CALCULATION OF NET COMPENSATION PAYABLE

In accordance with Section 68(4), this policy and its complementary procedure (PRO 03/2007) establishes a table of earnings for the purposes of calculating net compensation under Section 68(3)(b). For all legislated changes to the base calculations, WCB will publish revised tables of earnings and incorporate them into the calculation of "net earnings loss" when income tax changes become available. A worker's net earnings will be based on gross earnings, less the probable deductions for tax credits and/or tax exemptions the worker has authorized the employer to deduct from employment earnings at the commencement of the loss of earnings. Any changes following the initial commencement of loss of earnings will be adjusted prospectively on the anniversary date of the claim.

(POL 04/2007) THIRD PARTY ACTIONS/ SUBROGATION

This new policy and its complementary procedure PRO 04/2007 outline the circumstances under which a worker has a right of action against an employer or where the WCB may take steps to recover the costs of accepted work-related claims. In addition, there is a provision included to ensure employers are provided cost relief where WCB is successful in pursuing third party/ subrogation actions.

(POL 5/2007)
PFI - GENERAL

This policy and its complementary procedure PRO 05/2007 have been updated to clarify that WCB will review a worker's eligibility for other entitlements such as Independence Allowance (IA) where a Permanent Functional Impairment (PFI) award is reduced upon reassessment. WCB will not seek retroactive recovery based on the original PFI rating, but, where applicable, the worker's IA will be reduced or discontinued effective the first of the month following the date of the decision to reduce the PFI award. In addition, a new provision for awarding a PFI for psychological impairment is now included in the policy.

(POL 06/2007)
COVERAGE – STUDENTS IN WORK-BASED LEARNING ASSIGNMENTS

This policy and its complementary procedure PRO 06/2007 has been updated to extend coverage to post-secondary students who are completing their education out of province but are returning to Saskatchewan for the work-based learning portion of their curriculum.

(POL 07/2007)
VOLUNTARY RELOCATION OUTSIDE CANADA

This policy and its complementary procedure PRO 07/2007 has been updated to allow clients residing outside of Canada to choose electronic transfer of funds where a bank account is domiciled in Canada. Providing this option will enhance customer service by ensuring the payment of benefits in a timely and efficient manner.

(POL 08/2007)
COMPENSATION RATE – WHERE NO EARNINGS AT DISABLEMENT OR DEATH

This policy has been updated to clarify the provisions for those clients who, under various circumstances, have no earnings at the time of disability or death on which to base compensation benefits. The WCB interprets the intent of the legislation not to penalize the worker who persisted in employment initially, nor to deny benefits where the nature of the injury does not produce disability or death immediately.

(POL 09/2007)

CLASSIFICATION, CHANGE OF

This policy and its complementary procedure PRO 09/2007 sets out the circumstances under which WCB will change an employer's classification: where the nature of the business changes and the current industry classification is no longer appropriate; or, the nature of the business has not changed but the firm has been misclassified.

(POL 10/2007)

DISFIGUREMENT AWARDS

This policy and its complementary procedure PRO 10/2007 is updated to ensure disfigurement awards are to be made in accordance with the established formulae at the time of assessment. Case managers are generally responsible for evaluating disfigurement awards, however, a WCB Medical Consultant will do so where examination is undertaken to assess a Permanent Functional Impairment (PFI) and disfigurement is also apparent, or where the worker's privacy is at issue.

(POL 11/2007)

INJURIES – FIRE FIGHTERS

This policy has been updated as a result of amendments to section 29.1 of the Act to expand the types of cancers acceptable for presuming occupational disease for fire fighters and prescribes minimum periods of employment for each under section 22.3 of the General Regulations. Also new to legislation is the provision for cardiac injuries that manifest within 24 hours after attendance at an emergency response. In the case of primary site lung cancer, a new section 22.4 prescribes the minimum periods for which a fire fighter must be a non-smoker for the presumption of occupational disease.

(POL 12/2007)

INJURIES – CARDIAC

This policy has been updated as a result of amendments to section 29.1 of the Act and section 22.3 of the General Regulations. Where a fire fighter suffers a heart attack within 24 hours after attendance at an emergency response, it is presumed to be an occupational disease. No minimum period of employment applies.

(POL 14/2007)
PENSION COMMUTATION
(OLD ACT)

Consistent with the guiding principles for which pension commutations are to be granted for workers under the Old Act (prior to 1980), this policy and its complementary procedure updates the process by which a worker may request this option.

(POL 15/2007)
CLASSIFICATION OF INDUSTRIES – 2008 PREMIUM RATES

This policy established the 2008 premium rates. Classification reviews for the education and forestry industries resulted in adjustments to the composition of the G11 and G12 rate codes and F31 has been reclassified to M33.

(POL 16/2007)
FUNDING POLICY

This policy and its complementary procedure has been updated to ensure the targeted range estimated for the Injury Fund and the levels of the various reserves reflect today's environment while maintaining a fully funded status that is consistent with the statutory requirements of the Act.

(POL 17/2007)
COMPENSATION RATE – MAXIMUM, 2008 – SECTION 38

Effective 01 January 2008, this policy has updated the maximum wage rate for any worker sustaining injury before 01 September 1985. Although calculated to be $59,000 per annum, Section 38.1 limits the maximum compensation rate to $55,000.

New and Amended Board Policies 2008

(POL 01/2008)
SUSPENSION OF BENEFITS – PREGNANCY

This policy has been updated to clarify that where the pregnancy and conditions related to the pregnancy are the sole reason for interruption or delay in returning to work (i.e. worker has recovered from work injury); or the pregnancy has terminated (i.e. through childbirth) and non work-related factors cause a delay in treatment or vocational programming, earnings loss benefits will be suspended. Up to four weeks will be provided for the worker to access alternate income maintenance plans (i.e. Employment Insurance benefits).

(POL 02/2008)
COMPENSATION –LAYOFF, STRIKE OR LOCKOUT

This policy has been updated to clarify the level of compensation benefits available in the event of short or long-term interruption to return-to-work programming as a result of strike, layoff or lockout. Where the worker is declared fit for full pre-injury employment while the layoff, strike, or lockout continues, benefits will cease.

(POL 03/2008)
OFFSET OF CANADA OR QUEBEC PENSION PLAN BENEFITS

This policy updates and amalgamates five former policies related to the partial or full offset of Canada or Quebec Pension Plan Benefits when workers are also in receipt of WCB compensation benefits. In accordance with Section 99 of the Act, offset of CPP/QPP benefits is to be effective after a client has received 12 months of WCB benefits in total per injury.

(POL 04/2008)
PFI – OCCUPATIONAL DISEASE

The policy has been updated to provide the maximum PFI award in cases of terminal occupational disease when it is medically confirmed the disease has resulted in a degree of impairment. Workers may also be eligible for an independence allowance in order to maintain a reasonable degree of independence. No PFI will be payable in cases of fatality except where POL 06/78 – PFI – Fatal Claims applies.

(POL 05/2008)
INTERJURISDICTIONAL AGREEMENT ON WORKERS' COMPENSATION (IJA)

This policy updates the IJA that provides compensation to workers or their dependents where work is performed partly within Saskatchewan and partly in another province or territory.

WCB policies and procedures are public and accessible at ***www.wcbsask.com***

Comparisons with Canadian WCBs

The Saskatchewan Workers' Compensation Board is a member of the Association of Workers' Compensation Boards and Commissions (AWCBC), a national non-profit organization represented by the workers' compensation board or commission from each of Canada's provinces and territories.

Through the AWCBC, the Chief Financial Officers of the boards and commissions of Canada develop financial and statistical indicators to describe the workers' compensation insurance system in Canada overall, and to provide comparisons across jurisdictions.

The following Key Statistical Measures are based on 2006 data – the most recent data available – and is current to updates made in February 2008.

For the year 2006, Saskatchewan's WCB had:

- The lowest average calendar days from date of injury to first payment issued at 18.71 days (Alberta was second at 20 days).
- The second lowest administration costs per Time Loss claim at $2,537 (Manitoba was first with $2,431). The weighted Canadian average was $4,197.
- The second lowest average calendar days from registration of an injury claim to first payment issued at 13.18 days (Nova Scotia is first at 11 days; Alberta is third at 48.69 days).
- The second lowest average composite duration of claim at 40.93 days (the Northwest Territories is first at 30.7 days).
- The third lowest provisional premium rate for 2006 at $1.84 (Alberta was first at $1.57, followed by Manitoba at $1.68).
- The fourth lowest administration costs per $100 assessable payroll at $0.29 (following Alberta at $0.20, Quebec at $0.27 and New Brunswick at $0.28). The weighted Canadian average was $0.31.

You can view the Key Statistical Measures and Indicator Ratios at the AWCBC's website, **www.awcbc.org**.

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